

THE WASHINGTON POST

Thursday, December 20, 1973

MR 1284

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The Federal Diary**Leave Savers Can Gain Nest Egg**

By
**Mike
Causey**

The new annual leave-saving law (signed Friday) will permit many federal employees to build themselves a bonus nest egg for the time when they quit or retire, if they plan carefully.

Public Law 93-181 ended the inequity of the government's "use it or lose it" system that cost many workers leave they had earned but couldn't take. Before the law, employees could not carry over more than 30 days (45 days for overseas workers) of annual leave into a new year.

The present law permits workers to carry over unused leave they would have lost, if they were prevented from taking it as planned because of work emergencies, sickness or administrative error. That excess leave now may be carried over into the new leave year, and will be kept in a separate "account," which the worker must use within two years. The two-year time rule is to prevent employees from never taking

vacations, saving up that leave and then charging the government for it.

The new law is intended to prevent employees from losing leave through no fault of their own, but the way it works out, it will allow many who plan ahead a special bonus when they leave government. For example:

Suppose you have an employee who now has 30 days of annual leave accumulated that he now will be able to carry over into the 1974 leave year.

The worker plans to retire or leave government in 1974 and his annual leave will be worth \$10 an hour.

During 1974, the employee will earn (if he is along-service worker) an additional 26 days of annual leave if he does not take any vacation.

Under the new law, that worker will be entitled to a lump sum payment for the 30 days (240 hours) of leave carried over from 1973 to 1974, plus the 26 days (208 hours) of leave earned but not used during the year.

At the time of retirement, or when he leaves government, that leave will be worth at least \$4,480 to the \$10-an-hour employee. He would get that lump sum payment with his last check, and be taxed on it at a lower rate since his income for the retirement year, in most cases, would be lower.

It's A Big Country: The National Association of Letter Carriers union reports (we suspect with some glee) that the mail service in Russia has its problems too. A recent survey of mail delivery within the Soviet Union, the American postal union says, shows average delivery times in excess of five days.

Demonstration Officer: Urban Mass Transportation Administration is looking for a Grade 15 demonstration officer, willing to travel. Call 426-4995.

Andrews Air Base needs temporary engineering draftsmen, Grade 6 or 7. Call 981-3150.

Four Day Week: National Federation of Federal Employees has asked President Nixon to put nonessential government offices on the four-day week, to preserve fuel supplies.

The independent union says it would go along with a 10-hour day, four days a week at regular pay rates. That, however, would require an act of Congress, because the national overtime law is different for civil servants.

Unless there is a specific agreement between the employer and employee, private industry does not have to pay overtime after eight hours a day. The overtime kicks in only for time after 40 hours a week.

In government, however, it is an either/or proposition. Federal workers get overtime after eight hours a day, or 40 hours a

week. So switching to the four-day week, of 10 hours a day, would require the taxpayers to pay every federal worker at least eight hours of overtime each week.

We computed the costs in a column here Nov. 19, saying that the four-day week would cost the government well over a billion dollars a year. The actual rate is probably much higher, since overtime for white collar employees alone is estimated at \$984 million for the 10-hour, four-day week.

Under his emergency powers, President Nixon could put federal operations on a four-day week. But he could not waive the federal overtime law, unless Congress repealed or suspended it. That proposal hasn't yet been made, and it isn't likely to be made.

The 10-hour day isn't a popular prospect with all federal workers, especially for parents with children in day-care centers or staying with baby-sitters.

The Democratic-controlled Congress would be reluctant to repeal the civil service 8-hour overtime law, unless powerful AFL-CIO federal and postal employee unions agreed. They haven't officially taken a position, although top union leaders have discussed the four-day week proposition with administration advisers.

NOV. 30 FRIDAY

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IMPROVEMENT OF ADMINISTRATION OF LEAVE SYSTEM FOR FEDERAL EMPLOYEES

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House on H.R. 1284; to amend title 5, United States Code, to improve the administration of the leave system for Federal employees.

The Chair laid before the Senate the following message:

Resolved, That the House agree to the amendment of the Senate numbered 8 to the aforesaid bill with the following amendment:

In lieu of the matter proposed to be inserted, insert:

SEC. 7. (a) Section 5562(a) of title 5, United States Code, is amended by adding at the end thereof the following new sentences: "Notwithstanding any other provision of law, an employee in a missing status on or after January 1, 1965, is entitled—

"(1) to payment for annual leave which accrued to his account on or after January 1, 1965, but which was forfeited under section 6304 of this title because he was unable to use that leave by virtue of his missing status; or

"(2) to have all of that leave restored to him and credited to a separate leave account in accordance with the provisions of section 6304(d) (2) of this title.

An employee shall elect in writing, within 90 days immediately following the date of enactment of this sentence or within 90 days immediately following the termination of his missing status, whichever is later, whether he desires payment for the leave under clause (1) of this subsection or credit of the leave under clause (2) of this subsection. Payment under clause (1) of this subsection shall be at the employee's rate of basic pay in effect at the time the leave was forfeited."

(b) The amendment made by subsection (a) of this section shall apply to former employees or their beneficiaries.

Mr. MANSFIELD. Mr. President, I move that the Senate concur in the amendment of the House to Senate amendment numbered 8.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

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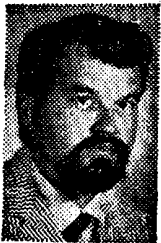
Wednesday, November 28, 1973

File HR 1284

The Federal Diary

THE WASHINGTON POST Wednesday, Nov. 28, 1973 C29

House Backs Pay for Unused Leave



By
Mike
Causey

Federal workers planning to retire later this year would get a significant cash break for unused annual leave under a bill that cleared the House yesterday. The legislation (H.R. 1284) now goes back to the Senate for quick approval. It could go to Mr. Nixon as early as next week, and would be effective as soon as he signs it.

The legislation, by Rep. Charles Wilson (D-Calif.) would permit civil servants to be paid a lump sum at retirement for unused annual leave time they have accumulated. Under existing law, workers now "lose" any leave over 30 days which they cannot use up either before the end of the leave year, or at retirement.

Thousands of employees are expected to retire Dec. 31, to benefit from a 5.5 per cent cost of living increase effective Jan. 1. As things now stand, they could not be paid for any annual leave time (except in rare cases) in excess of 240 hours, or 30 days. In government that is known as the use-it-or-lose-it rule.

The bill that sailed through the House yesterday would permit employees to be given lump-sum payment for all leave carried over into this year, plus any leave earned this year. Example:

A long service employee carried over the maximum (30 days) amount of leave into the 1973 year. He now plans to retire at the end of this year, with 26 additional days of vacation which he has earned this year.

Under existing law, he could be paid for the 30-days carried over into this year upon retirement, but not for the 26 days he earned but failed to use this year.

The bill sent to the Senate yesterday would allow him to be paid for both the 30 days carried over, plus the 26 days (or any part thereof) earned this year.

Payments, in most cases, would not be made until early in 1974. That would mean that the lump sum payment would not be taxable in the 1973 year, when income was higher. Instead the worker would pay taxes because the money was received in 1974 when, because retirement pay is lower, income would be less.

The bill has several other attractive features.

One, would permit employees in future to carry over annual leave into the new year when they were prevented from using the time up because of administrative error, press of govern-

ment business, or because of illness.

The legislation also carries a provision for federal workers who accumulated annual leave when they were prisoners in Vietnam. Some 15 State, AID and Defense Department workers were held captive during the war and, quite obviously, didn't have a chance to take the vacation time they earned while in the hands of the Viet Cong or North Vietnamese. The bill would give them credit for the leave time, or lump sum payment for that time.

The Wilson bill was cleared earlier by both the House and Senate. However, amendments and language problems required that it be run through both sides of Congress again. The House has now finished its work, and the Senate is expected to accept the almost identical House version and clear it quickly for the President.

Christmas Holiday: Still no determination from the White House whether to give federal workers an extra holiday, by declaring the Monday before Christmas (which falls on Tuesday this year) a holiday. It has been customary in past years to close government offices an extra day if Christmas is on Tuesday or Thursday.

U.S. Information Agency: Although its budget is more or less squared away, USIA plans very

little hiring between now and June 30. The agency is still over-staffed, and must find jobs for surplus workers via the attrition route.

It will be hiring the usual number of clerical workers, and also is in the market for people with "hard" language skills such as Russian, Ukrainian and East European languages, for the Voice of America. Also it will take on some technicians, but for the most part outside recruiting will be kept to a minimum.

Jobs: Office of Education wants a Grade 13 or 14 supervisory personnel management specialist and labor-management relations specialist. Call 245-8284.

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November 27, 1973 CONGRESSIONAL RECORD — DAILY DIGEST

D 1333

Office, Executive Office of the President; S. David Freeman, Ford Foundation, New York City; and George P. Mitchell, Mitchell Energy and Development Corp., Houston, Tex.

Hearings continue tomorrow.

OPIC

Committee on Foreign Relations: Committee resumed executive consideration of proposed legislation on the organization of the Overseas Private Investment Corporation, but did not complete action thereon and recessed subject to call.

COMMITTEE BUSINESS

Committee on Interior and Insular Affairs: Committee, in an open business meeting, ordered favorably reported the following measures:

S. 584, authorizing approximately \$7,626,000 in additional funds for the completion of the Indiana Dunes National Lakeshore (amended);

S. 417, providing for the addition of certain property in Philadelphia, Pa., to Independence National Historical Park (amended);

S. 903, adding Alaska and Hawaii to list of States inscribed upon the wall of the Lincoln National Memorial, Washington, D.C. (amended);

H.R. 3436, providing for the conveyance of certain mineral rights in and under lands in Onslow County, N.C.;

S. 1468, authorizing the establishment of the Knife River Indian Villages National Historic Site, N. Dak.;

S. 262, proposing establishment of the Tuskegee Institute National Historical Park, Ala.;

S. 1039, authorizing funds for additional costs of land acquisition for the National Park System (amended);

S. 1976, proposing study of Indian Nations Trail extending from the Red River in Oklahoma northward to the Oklahoma-Kansas boundary line for inclusion in national trails system;

S. 979, authorizing the establishment of the Springfield Armory National Historic Site, Mass.; and

S. 1283, establishing a national program for research, development, and demonstration of fuels and energy technologies, and the coordination and financial supplementation of Federal energy research and development (amended).

Also, committee reconsidered its action of October 2 when it ordered favorably reported S.J. Res. 133, providing for the establishment of an American Indian Policy Review Commission, agreed to an additional amendment thereto, and again approved the bill for reporting to the full Senate.

Committee ordered favorably reported the nomination of Morris Thompson, of Alaska, to be Commissioner of Indian Affairs.

Committee will meet again on Friday, November 30, on other committee business.

SEWAGE TREATMENT FACILITY AND AUTO EMISSIONS

Committee on Public Works: Committee began executive consideration of estimated costs for nationwide construction of sewage treatment facilities as outlined in the survey conducted by EPA in accordance with the Federal Water Pollution Control Act, and proposed procedures for implementing the Clean Air Act as it relates to auto emission standards, but did not complete action thereon and will meet again tomorrow to further discuss the auto emission standards aspect.

SMALL BUSINESSES AND FUEL ALLOCATION

Select Committee on Small Business: Subcommittee on Environmental, Rural, and Urban Development began hearings on the impact of mandatory petroleum and propane allocations on small business concerns, receiving testimony from John F. Schaefer, Senior Staff Member, Council on International Economic Policy, Executive Office of the President; Vice Adm. Eli T. Reich (Ret.), Administrator, Office of Petroleum Allocation, Department of the Interior; and Gary M. Cook, Acting Deputy Assistant Secretary for Domestic Commerce, Department of Commerce.

Hearings continue tomorrow.

House of Representatives

Chamber Action

Bills Introduced: 28 public bills, H.R. 11577-11604; 4 private bills, H.R. 11605-11608; and 9 resolutions, H.J. Res. 832 and 833, H. Con. Res. 381-384, and H. Res. 718-720, were introduced. Pages H 10217-H 10218

Bills Reported: Reports were filed as follows:

Conference report on S. 1443, to authorize the furnishing of defense articles and services to foreign countries and international organizations (H. Rept. 93-664);

H. Res. 718, providing for the consideration of H.R. 11324, to provide for daylight saving time on a year-round basis for a 2-year trial period (H. Rept. 93-665);

H.R. 1817, to provide for the striking of national medals to honor the late J. Edgar Hoover (H. Rept. 93-666); and

H. Res. 719, providing for consideration of H.R. 11010, to assure opportunities for employment and training to unemployed and underemployed persons (H. Rept. 93-667). Page H 10217

leg. file

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CONGRESSIONAL RECORD — DAILY DIGEST November 27, 1973

Federal Employees Health Benefits: House disagreed to the amendments of the Senate to H.R. 9256, to increase the contribution of the Government to the costs of health benefits for Federal employees; and asked a conference with the Senate. Appointed as conferees: Representatives Dulski, Henderson, Waldie, Gross, and Hogan.

Page H 10171

Federal Employees Leave System: House concurred in Senate amendments Nos. 1-7 and concurred with amendment to Senate amendment No. 8 to H.R. 1284, to improve the administration of the leave system for Federal employees; and returned the measure to the Senate.

Subsequently, the House agreed to H. Con. Res. 381, authorizing the Clerk to make a technical correction in the enrollment of the bill.

Pages H 10171-H 10172

American Revolution Bicentennial Administration: By a ye-a-and-nay vote of 357 yeas to 34 nays the House agreed to the conference report on H.R. 7446, to establish the American Revolution Bicentennial Administration, clearing the measure for Senate action.

Subsequently, the House agreed to H. Con. Res. 382, authorizing the Clerk to make a technical correction in the enrollment of the bill.

Pages H 10172-H 10174

Late Reports: Committee on Rules received permission to file certain privileged reports by midnight tonight.

Daylight Saving Time: By a ye-a-and-nay vote of 311 yeas to 88 nays, the House passed H.R. 11324, to provide for daylight saving time on a year-round basis for a 2-year trial period.

Agreed to the committee amendment in the nature of a substitute.

Agreed to amend the title of the bill.

The following actions were taken on the committee amendment in the nature of a substitute:

Agreed to:

An amendment that exempts the State of Hawaii from the provisions of the bill (agreed to by a division vote of 83 yeas to 2 noes);

An amendment that advances the effective date of the bill by 15 days; and

An amendment that clarifies language in the committee substitute by extending the authority for AM radio stations to begin operations 1 hour before sunrise to stations which are already eligible for presunrise operation as well as to those which are now ineligible.

Rejected an amendment that sought to exempt the State of Georgia from the provisions of the bill.

H. Res. 718, the rule under which the bill was considered, was agreed to earlier by a voice vote. Previously, by a ye-a-and-nay vote of 349 yeas to 40 nays, agreed to a motion to consider the rule (two-thirds of those present voting in the affirmative).

Pages H 10174-H 10196

Referrals: One Senate-passed measure was referred to the appropriate House committee.

Page H 10216

Quorum Calls—Votes: Three ye-a-and-nay votes developed during the proceedings of the House today and appear on pages H10174, H10175, and H10196. There were no quorum calls.

Program for Wednesday: Met at noon and adjourned at 3:19 p.m. until noon on Wednesday, November 28, when the House will consider H.R. 11010, Comprehensive Manpower Act (open rule, 2 hours of debate).

Committee Meetings

SALE OF VESSELS

Committee on Armed Services: Subcommittee No. 3 held a hearing on S. 1773, relating to the sale of vessels stricken from the Naval Vessel Register. Testimony was heard from Adm. Elmo R. Zumwalt, Chief of Naval Operations.

Hearings continue Monday, December 3.

ELECTRONIC FUNDS TRANSFER SYSTEMS—SAN DIEGO BANK SEIZURE

Committee on Banking and Currency: Subcommittee on Bank Supervision and Insurance held a hearing on electronic funds transfer systems; and seizure of U.S. National Bank in San Diego. Testimony was heard from Frank Wille, Chairman, FDIC; and James E. Smith, Comptroller of the Currency.

SBA OPERATIONS

Committee on Banking and Currency: Subcommittee on Small Business began public hearings on Small Business Administration operations. Testimony was heard from Curtis Prins, committee chief investigator.

Hearings continue tomorrow.

CHILD ABUSE—HEADSTART FEE POSTPONEMENT

Committee on Education and Labor: Met and ordered reported favorably to the House the following bills:

S. 1191 amended, to provide for the establishment of a National Center on Child Development and Abuse Prevention within the Department of Health, Education, and Welfare; and

H.R. 11441, to postpone the implementation of the Headstart fee schedule.

The committee also continued consideration of H.R. 69, to extend and amend the Elementary and Secondary Education Act, and will resume consideration on Thursday, November 29.

CHILD ABUSE

Committee on Education and Labor: Select Subcommittee on Education, met and approved for full committee action S. 1191 (title above), amended to contain the language of H.R. 6379.